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News items, Book review

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until we had verified their figures in accordance with our usual methods.

We might state in this connection that it is necessary that individuals and not firms be designated as "Commissaires des Comptes." As individuals we are now Commissaires for some few of the companies we audit here and expect at their next general meetings to be appointed for the majority of the others. We can render the required certificate as Commissaires based on the audit that we make and this, of course, only entails a small additional expense to our clients for the time required for the preparation of the Commissaires' report.

(Signed) H. & S.

It is with deep sorrow and regret that we record the sudden death on May 15, 1921, of Mr. J. C. Grabbe of the Chicago staff. Mr. Grabbe has been a valued member of our staff since January of this year, ranking as a supervising accountant.

Book Review

Dewing, Arthur Stone. *The Financial Policy of Corporations*. Five volumes. (New York, The Ronald Press Company, 1920).

This work might, from its scope, be termed an encyclopedia of corporation finance. Its chief merit perhaps is found therein. As a treatise on corporation finance it is thorough—possibly the most thorough book of its kind which has been presented.

But a book to find favor with business men, bankers, and even college students, must get down to earth. The story must be told in words which the average reader will understand. The author's thoughts must be presented in a way which will enable them to be easily grasped.

It is unfortunate that the otherwise excellent book in question makes anything but easy reading. It is, to say the least, very abstruse. For the purposes of the average reader some parts might as well have been written in Greek. This is particularly true of the reference to accounting (v. iii, p. 3) which is erroneously termed accountancy.

Note, for example, the author's concept of accounting: "The science of *accountancy* is primarily a system of logic. It rests on one absolutely fundamental presupposition and three postulates arising directly out of this." Fortunately, students of accounting do not go to books on finance for their first ideas on accounting.

Again, "*Accountancy* leads to two modes of representing a business enterprise. One is the correspondence between the money value and the economic value of a business at any one moment of time." Could anything be more abstruse to the uninitiated?

Lest this review smack of narrowness and result in giving the reader an entirely wrong impression, it should be added that the material in the book has been well selected and arranged. The volumes deal respectively with Corporation Securities, Promotion, The Administration of Income, Expansion, Failure and Reorganization. The last named excels in its thoroughness and cites many interesting and illuminating cases.

Taken as a whole, the work must be regarded as a contribution even though some of the material has appeared before in other of the author's books. Its value would have been greatly enhanced had the style been simpler.

We are pleased to note that Mr. Ferris I. Palmer of the Watertown office has passed the recent C. P. A. examinations of the State of New York.